

## TELEPHONE MEN GIVEN A HEARING

Appear before the Public Service  
Commission in Opposition  
to New Rates.

### PROCEEDINGS NOT JUDICIAL

Chairman Bacon Says Matter of  
Their Finances Remains  
Solely with the Com-  
panies to Disclose.

Montpelier, Sept. 30.—The Senate chamber of the State House was packed to overflowing this morning when Chairman Robert C. Bacon of the public service commission called to order the hearing to be given the various telephone companies of Vermont for the purpose of hearing the arguments of companies and individuals as to why the present rates and schedules should not be materially decreased on December 1, 1913.

The proposed rates range from \$18 to \$22 per annum for a business telephone and \$12 to \$24 for a residence telephone, according to the line, service rates to be a maximum. The order of notice also called for a reduction in the toll rates of 30 per cent.

Chairman Bacon read the names of the hundred or more companies summoned. Representatives of each company and individuals answered to the call of their names. Several companies and individuals failed to enter an appearance.

Harland R. Howe of St. Johnsbury entered appearance for several companies. Chief Counsel M. B. Jones, John G. Fargent of Ludlow and W. B. C. Stokely of Bethel appeared for the New England Telephone and Telegraph company. Mr. Jones and John W. Redmond of Newport answered for the Vermont Telephone company.

SOME ANSWERS FILED.  
Typewritten answers to the summons were filed by representatives of several companies. The majority, however, apparently were desirous of waiting until the exact nature of the proceedings had been disclosed.

Attorneys E. A. Cook, W. A. Graham and E. H. Devitt filed appearance for the State of Vermont.

The woman, Mrs. H. H. Field, announced herself as the representative of the Isle La Motte Telephone company.

W. A. Graham of counsel for the State asked that right be reserved to call the cases for hearing as they appear in the notice. The request was allowed.

Chairman Bacon said the hearing was to be an administrative and not a judicial one. He said the subject matter of their finances remain solely with the companies to disclose and ordered them to proceed with their cases.

John W. Redmond suggested that the companies be divided into three classes: The New England company, its subsidiary companies in Vermont and the independent companies.

Representatives of many independent companies declared when the roll was called that in no way were they connected with the New England and asked to be dismissed.

Allen Hollis, president of the White Mountain Telephone company, sought to have his company classified. He stated his company had few lines in Vermont.

EXAMINATION IS BEGUN.  
Mr. Hollis was in a hurry to get back to Concord, N. H., and asked for an early hearing. Chairman Bacon, elicited from Mr. Hollis the information that the New England owned the majority of the stock in his company. The White Mountain Telephone company was forthwith classed as a subsidiary of the New England.

After a 10-minute recess the examination of the representatives of each company began. E. A. Field, representing the Addison and Putnam Telephone company, was sworn to give testimony. Attorney Harland R. Howe caused some surprise by objecting to the plan of procedure. In conference with others for the independent companies, they reported 15 out of 19 companies ready to establish rates according to the schedule arranged by the commission. They wanted to file their answers and go home. Attorney John W. Redmond objected.

Mr. Field continued his testimony. He denied that the New England company held any stock in his company. He was questioned by several representatives of independent companies.

John F. Alexander of Rockingham, owner of the Saxtons River exchange, was sworn to give answer to the commission. He stated that his company had 150 miles of wire, 2,500 poles and 175 subscribers, and he went into detail in describing his investment in equipment, operating expenses and income. His yearly profit on an investment of \$12,000 was 13.42 per cent. He made no allowance for reserves or depreciation, however.

A recess of two hours was taken at noon.

ALEXANDER IS RECALLED.  
The hearing was resumed at 2:00 p. m. and Mr. Alexander was recalled.

Mr. Graham of counsel for the commission resumed his questioning of Mr. Alexander.

The witness stated that he was engaged in the insurance business at Bellows Falls in addition to his duties as a telephone company owner.

His appraisal of the equipment of the Saxtons River telephone exchange read at the morning session was prepared here and before the opening of the hearing.

He attended a conference of telephone men before the meeting opened. His principal was not prepared at or after the conference.

Mr. Alexander, in answer to Mr. Graham's question of how much money was represented in New England telephone ownership and equipment, replied: "About \$1,500."

The amount is nearly one-half of the total appraisals as given at \$2,000 by the witness at the morning session.

Mr. Alexander said the rental charge was \$3 yearly before he leased the Saxtons River exchange and after he contracted with the New England Telephone and Telegraph company residence rates were increased to \$12 with discount for prompt payment.

Mr. Alexander testified that although he and his subscribers were forced to pay for outgoing calls over New England lines, he received no payment for use of his lines by New England subscribers.

scribers. This is provided for under the traffic contract existing.

His company receives no compensation for transmitting a call through his exchange from one company's lines to another.

Chief Counsel M. B. Jones drew from witness that he received commissions on toll calls through his office.

He had purchased material for erecting new lines but to date had failed to do so on account of the proposed reduction of rates.

RULING BY THE COMMISSION.  
Chairman Bacon of the commission made an important announcement to the effect that the representatives of independent companies not desiring a hearing and who will agree with any rate schedule adopted by the commission, will be allowed to go home to be subpoenaed later as witnesses by either side if their presence is desired.

R. E. Brown, who operates a small company with 173 subscribers, provided a touch of humor when he described his service methods.

Questioned as to the continuity of his service, Mr. Brown replied that an ordinarily continuous service was maintained from 7:00 a. m. until 8:00 p. m. during the night, on Sundays and holidays, "when he heard the bell."

The Champlain Valley company, represented by Manager Preble, was next heard. He told of the depreciation of his plant and equipment and added that if his company was forced to reduce its rates, the company would have to do out of business.

One hundred and sixty subscribers were served by his company; three or four on two-party lines, many on three to six party lines, and the remainder on more than six-party lines.

Mr. Preble told of \$300 damage incurred by a storm. He had no reserve fund and had to collect unusual bills to meet the emergency. Some poles were reset after the storm by subscribers themselves.

Asked if he had any copper wire in his equipment, Preble replied "no, but we have got some rusty wire."

FOOTE OF CORNWALL CALLED.  
A. W. Foote of the Cornwall Telephone company said his company was started on a small scale like the majority of independent companies. The company had 37 subscribers. The rate was \$15 rental, \$1.25 month with discount for prompt payment. He described his service as continuous all day with night alarm and half-day service Sunday. The company pays six per cent. dividends yearly. All surplus went into repairs and extensions. He added a good deal of repairs by issuing new stock. Some extensions were paid for out of earnings.

Mr. Foote described purchases and discounts on the same from the Western Electric company and from the New England company. The witness told of benefits accruing from dealing with the Western Electric company. He was not sure of a contract with the New England.

Verbal agreements between the Cornwall company and companies in nearby towns are in existence, said Mr. Foote.

Not directly connected with the New England, the Cornwall company formerly compensated on the commission basis both for incoming and outgoing calls.

He has signed a new contract and now he gets five cents additional on toll calls through the New England company's line but never charged his subscribers more than existing rate for the distance.

Mr. Foote also appeared in behalf of the Rutland County Telephone and Telegraph company. The company controlled by Mr. Foote charges a rental rate of \$15 with regular toll rate with the New England. The company pays six per cent. and has no reserves for repairs. Mr. Foote will furnish the commission later with contracts and data on the company's division of lines and purchasing contracts.

FAVOR GRADUATED CHARGES.  
Chairman Bacon asked if Mr. Foote was not in favor of graduating his charges pro rata on party lines rather than fix a flat rate.

He replied that he was in favor. He said his rental of Rutland County lines had remained at \$12 since the "birth of the company in 1903."

The capital stock was increased many times for repairs. There are 28 stockholders in the company.

Mr. Foote built a large portion of the plant himself with his own help. A few subscribers provided poles.

"Family wires are numerous in the Cornwall company," was the concluding remark of Mr. Foote, who enlivened the day and technical proceedings with flashes of typical Vermont humor.

At 4:15 adjournment was taken until nine o'clock to-morrow morning.

THROUGH WITH ARCHITECT

New Yorker Leaves Job after Designing Bellows Falls Army.

Bellows Falls, Sept. 30.—Governor A. M. Fletcher today announced that all business relations between the State armory commission and Architect Paul Revere Henkel of New York city, who drew plans for the proposed State armory here, are at an end, but that he would do all he could to hasten the erection of the building.

He said that the town of Rockingham may be built although it will now take a little longer time than was at first expected.

The Governor did not care to discuss what caused the breaking off of relations with the New York architect, but it is known that at least two meetings that were scheduled to have been held here were not held. One was set for September 13, three days after the bids for the contract for the building were opened in Mr. Henkel's office. While the Governor and the State armory commission and the local committee were here, Mr. Henkel did not appear and he could not be reached by wire.

Governor Fletcher said to-day that Addison Lee S. Tillotson of St. Albans has begun negotiations with another architect and that he expects good progress will be made in the matter.

STOCK BARN DESTROYED.

Loss by Fire in Panton Will Mount into the Thousands.

Addison, Sept. 30.—The newly built stock barn belonging to the estate of the late Mrs. J. A. Merrill of Burlington on the farm occupied by Roddy Merrill, was destroyed by fire this morning at ten o'clock. The loss will amount into the thousands, partially covered by insurance.

The fire was started by a stranger smoking in the barn and a strong north wind fanned the flames.

The barn was 20 by 120 feet and was being painted. Destroyed with it were the season's hay and 2,000 bushels of unthreshed grain. A Shetland stallion was rescued by J. A. Merrill of Burlington. A driving horse was also saved. A combination box stall and henery also caught fire and was destroyed.

## THE PLACE OF SECURITY

For valuables is the Vault of the Chittenden County Trust company because it is fire and burglar proof. Rent a Safe Deposit Box here.

CHITTENDEN COUNTY TRUST CO., BURLINGTON, VT.  
114 Church Street



VICTOR MURDOCK, PROGRESSIVE LEADER.

Red-headed, robust, rampant, Victor Murdock, progressive leader of the House, is at the fore in every debate of the House these days. Murdock marshaled the progressives in the big fight in the second congressional district of Maine on September 8, when all three parties finished a notable battle on the stump in a look ahead to the effect on the congressional elections to come in the various States. A republican was elected.

Murdock is from Kansas, was a newspaper reporter about to seek a metropolitan job on one of the New York papers when notified of his nomination to Congress, and is still managing editor of the Wichita Daily Eagle, which his family owns. He is a born insurer and led the anti-Cannon fight in the House along with Norris of Nebraska. His pet hobby of fighting fast mail subsidies has broadened into the long string of progressive party platform tenets.

## PREPARED FOR A FLOOD OF QUESTIONS ON INCOME TAX

Washington, Sept. 29.—The treasury department is preparing for a flood of questions about the new income tax, realizing that this feature of the tariff bill about to become law strikes more intimately at the tax-paying citizen than do the indirect taxes collected through the customs duties.

One of the first steps taken to get general information before the public will be to distribute income tax blanks through postoffices, internal revenue offices and other federal agencies. However, the fact that he does not receive a blank or a request to pay the tax will not exempt a taxpayer from the penalties of the law.

Representative Cordell Hall of Tennessee, who drew the income tax provision of the tariff bill which will soon become law, made public to-day a detailed explanation of the tax plan as it will touch the individual citizen.

"The treasury regulations soon to be prepared will make clear to every taxpayer the requirements of the law and its application to income derived from any of the various kinds of business," said Mr. Hall. "Any person who keeps familiar with his business affairs during the year should have no difficulty in executing his tax return."

"The income tax is divided into two phases; the normal tax of one per cent. on the whole income above three thousand dollars, and the additional tax that begins with an extra one per cent. above \$3,000 and is graduated to six per cent. above \$50,000. Wherever the income tax is paid at the source by a corporation for its employees or in similar cases, only the one per cent. normal tax is so paid. The individual has to pay any additional tax himself. The provisions of the law requiring the tax to be withheld at the source does not take effect until November 1, 1913.

"For the first year the citizen will make return to the local internal revenue collector before March 1, 1914, as to his earnings from March 1, 1913, to the end of this year. The collector will notify him June 1 how much he owes and the tax must be paid by June 20. After next year the tax will apply on the full calendar year.

"If the income of a person is under \$3,000 or if the tax on same is withheld for payment at the source, or if the same is to be paid elsewhere in the United States, affidavit may be made to such fact and thereupon no return will be required.

"The tax covers all incomes of citizens of the United States whether living here or abroad; those of foreign-born living in the United States and the net incomes from property owned or business carried on in the United States by persons living abroad.

"The net income includes all income from salaries or any compensation for personal services; incomes from trades, the professions, business or commerce, from sales or dealings in personal property or real estate; from interest, rent, dividends and securities; from all lawful business carried on for gain.

"Gifts or bequests will not be considered income, nor will life insurance paid to a beneficiary or returned to the insured person as a 'paid up' or 'surrendered policy' be taxable. Interest on such property will be included as income, however.

"However, the amount that may be deducted from a total income includes the cost of carrying on business, actual losses, depreciation allowances and tax exempt or tax paid money. Living expenses cannot be deducted nor can money spent for permanent improvements to property.

"The form that is to be filled out by the taxpayer will be drawn up soon by the commissioner of internal revenue. The payer will have to give his gross revenue, and then specify and claim the deductions to which he feels entitled. Unless a man's income tax is paid at the source for this period of the year.

## WILL PROBE HIGH COST OF LIVING

Administration Engaged in Preliminary Work of National Wide Investigation.

Washington, Sept. 29.—The Wilson administration is engaged in the preliminary work of arranging for a nationwide investigation of the causes of the high cost of living and remedies for the problem. The work has been going on quietly for several weeks. As far as it has progressed the inquiry has convinced administration officials that the urban and rural population will unite in an effort to bring about an adjustment of agricultural and marketing methods, without which, in the opinion of experts in the agricultural department, there can be no permanent relief.

The problem, as the administration is considering it, is embraced in these two divisions:

First—How to provide the average farmer with the ready means to increase the production of his land.

Second—How to lift for all the people, and particularly the masses in the great centers of population, the burden of the steadily increasing cost of food.

It is to the solution of these two questions that the administration, in both the executive and legislative branches, is turning its attention. In the opinion of President Wilson, Secretary of Agriculture Houston, and the leaders in Congress, these two questions taken together form the most serious problem confronting the nation. It is a problem involving far more than advanced and scientific farming, for included as important and even vital factors are the questions of marketing, organization, and community effort as well as the difficult question of agricultural financing.

ALL PRICES GOING UP.

Within the past two weeks the public has been told that next winter the city dwellers would be compelled to pay 75 cents a dozen for fresh eggs, and that eventually fresh meat, beef in particular, would command a retail price as high as \$1 a pound. Indeed, the trend is toward a decided jump in the price of all food commodities.

This, administration officials say, emphasizes the great urgency of governmental action.

So far the investigation has been conducted almost entirely under the direction of this department of agriculture and labor, working in cooperation with President Wilson. It has progressed to the point where the legislative branch will be asked to lend its support and pursue the work along definite lines with important and far-reaching legislation at the coming winter session of Congress.

There has been little publicity attached to the work because President Wilson believed that better results could be obtained by going about it quietly. His idea has been to get the larger and more detailed investigation started along the right channels.

EYE ON THE FARMER FIRST.

By way of starting it Secretary Houston prepared a series of questions dealing with agricultural situations in general. Combined with these were queries covering the financial side of the farmer's problem, dealing with ownership and tenancy, from that point of view the question of credits. Inquiries also were made about methods of marketing, organization and community effort. These questions have been put before the farmers in every section of the country through the vast organization under the department of agriculture.

First the questions were put directly to the farmers through the department's corps of crop correspondents, numbering more than 35,000. In the same manner the 2,500 county correspondents of the department have been employed. The answers to these questions are coming in and will be available for the legislative committee that are to work on them. Through the same machinery Thomas N. Carver, formerly professor of economics of Harvard University, now head of the bureau of markets, has been conducting a preliminary investigation of the transportation and marketing problem.

MEANWHILE, as the answers to these questions were being compiled, Professor Carver has been in Europe studying at first hand the same problem. He is to return this week, and will make a report with recommendations to President Wilson and Secretary Houston.

Representative Glass will name a subcommittee of the banking and currency committee to prepare a farm credit plan for submission to Congress. This subcommittee is to study the whole range of the agricultural problem, in so far as it relates to finance.

The subcommittee has been agreed to as the result of conferences between President Wilson, Secretary Houston, Representative Underwood and Glass. A resolution will be presented in the House this week authorizing the committee to hold sessions outside of Washington and providing the necessary expenses. The committee probably will start its investigation in the Northwest, in all probability the committee will start from St. Paul some time within the next two weeks on a tour lasting a month.

The President, Secretary Houston, and the House leaders are agreed that better results can be obtained if representatives of Congress visit the farmers in their homes and obtain first hand impressions of conditions in rural sections. Investigation of this sort, according to present plans, will be supplemented by hearings at Washington. The plan is to visit typical agricultural centers in every section of the country.

GOVERNOR ATTENDS FAIR.

Tells Bellows Falls Citizens to Vote for Honest Men.

Bellows Falls, Sept. 30.—The fourth annual fair here today was attended by about 12,000 persons. Two parades were held this morning and a big carnival parade to-night. All the exhibits in the several departments outnumbered those of previous years.

Governor A. M. Fletcher was here this morning and made a brief address from the stand previous to the parade. He was the guest of Senator E. H. Hubbard of this town. Governor Fletcher told his hearers to vote for honest men in politics and to beware of those politicians who are today advocating the conservation of Vermont's natural resources and who will be found, when the Legislature convenes at Montpelier, working for the interests of corporations who are seeking to win these resources from the people.

## BURLINGTON SAVINGS BANK

Incorporated 1847.  
THE PEOPLE'S BANK; NO STOCKHOLDERS; OWNED BY THE DEPOSITORS; MANAGED IN THEIR INTEREST.

Assets . . . \$15,655,662.68

Surplus held as a guarantee fund more than \$1,000,000. Write for further information

C. P. Smith, President.  
Henry Green, Vice-President, F. W. Ward, Treasurer.  
F. W. Perry, 2nd Vice-President, E. S. Isham, Assistant Treasurers.

This bank is a mutual savings bank in which all property and profits belong to the depositors.

4 Per Cent  
Business can be transacted by mail as well as in person. No money loaned to any officer or trustee of the bank.

## MONEY MAKES MONEY

Everybody knows this—yet how few take advantage of this fact. The best way to save is to open an account with a strong bank managed by men whose honesty and business ability are unquestioned.

This bank is a depository for the city and the most progressive business concerns of the county. One dollar opens a savings account and the interest rate is four per cent.

## THE BURLINGTON TRUST CO

City Hall Square—No.

## Safety Is the First Consideration

No money loaned at over 6 per cent. Safe deposit boxes for rent at \$3.00 in our Fire and Burglary proof vault. This Bank's surplus is over 9 per cent. of the deposits.

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4% WINOOSKI SAVINGS BANK, 4%  
No. 11 Winooski Block, organized 41 years.  
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Be sure you are in the Old Savings Bank.

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This Bank will keep your money safely and pay you TWO PER CENT. SEMI-ANNUALLY. Checks or drafts can be sent by mail. Bank Book sent by return mail.

HOME SAVINGS BANK, 190 MAIN STREET

## HOWARD NATIONAL BANK

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Capital \$300,000. Surplus and Profits \$300,000.

BURLINGTON MERCHANTS' WEEK, OCT. 6 TO 11, 1913.

YOU may have many friends, but you will find none so steadfast, so ready to respond to your wants, so capable of pushing you ahead as your little pass book with the name of this Bank on its cover. Make this your money home.

F. E. BURGESS, President. ELIAS LYMAN, Vice-President.  
H. T. RUTTER, Cashier. H. S. WEED, Assistant Cashier.

## CITY TRUST COMPANY

Office with Howard National Bank

The person who takes no interest in saving gets no interest on his savings. Better systematically deposit part of your income and get the interest on your savings.

H. T. RUTTER, Treasurer.

## FIRE DESTROYS THUNDERSTORM BRITISH SHIP SPREADS RUIN

Wireless Brings Aid to Steamer Templemore and 52 Men Are Saved.

Fourteen Persons Killed, 30 Injured and Many Missing in French City.

Baltimore, Sept. 30.—The British steamer Templemore, Captain Jones, Baltimore for Liverpool, September 27, was on fire late last night in latitude 39.27 north, longitude 63.56 west. She sent out a call for immediate assistance and at 3:50 a. m. today the steamer Arcadia from Hamburg picked up her crew and is proceeding to Baltimore.

This information was contained in a wireless dispatch received here from Captain Boldt of the Arcadia.

No details of the disaster were given in the dispatch and efforts are being made to-night to communicate with the Arcadia. She is expected to pass in Cape Henry, Va., to-morrow morning.

The Templemore, which is a freighter of the Johnston line, carried a crew of about 52 officers and men and took on a cargo of merchandise at this port valued at \$300,000. She was built in Belfast and launched in February, 1914. She was 431 feet in length, 48 feet beam and 26 feet molded depth.

ARRIVED IN NICK OF TIME.

New York, Sept. 30.—Messengers telling of the abandonment at sea of the burning steamer Templemore and the rescue of her crew by the Arcadia were received by the hydrographic office here. The Templemore flashed a wireless call for aid which Captain Boldt of the Arcadia promptly heeded, reaching the burning vessel in the nick of time. The transfer of the crew was effected just before day.

Light while the ocean for miles around was lighted up by the flames. When all on board had been taken off the Templemore was left to her fate.

EX-GOVERNOR ORMSBEE OUT.

Rutland, Sept. 30.—Ex-Governor E. J. Ormsbee of Brandon, who has been very ill for many months and has been unable to get out but a short time, made his first visit to Rutland since his illness to-day. He called at the county courthouse while court was in session and was given a warm reception by Judge Frank L. Pien and the ex-governor's fellow members of the Rutland county bar.